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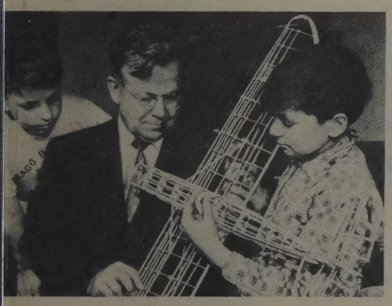
CHICAGO'S PUBLIC HOUSING today Quarterly Report

s No. 1 Chicago Housing Authority March 1, 1957



## rth Side Businessmen Laud throp-Chicago Boys Club

Sponsorship of constructive activities children living in areas containing dustrial establishments is "just good siness," according to reports from ecutives of large plants in the Diversey-bourn neighborhood.

Local businessmen state that vandalism almost non-existent in the neighbor-od today and credit, they feel, belongs large measure to the Lathrop-Chicago ys Club. Before its organization in 52, damage to industrial properties nging from broken windows to stripped rs in parking lots was a nightly occur-nce.

Hundreds of the more than 2,000 chil-en under the age of 18 who live within few blocks of the club are now finding rection for their energies and guidance their interests through the club pro-am under the leadership of Norman ller and his assistants.

Club headquarters are located at lia C. Lathrop Homes, public housing velopment operated by the Chicago using Authority. Five social rooms and large outdoor play area are provided r the club by CHA at $1 a year. Money ually spent for rent is thereby available r expanded club services.

The Authority, on the other hand, also nefits by having community activities the premises for its tenants. In addi-n, since all such programs are avail-le to neighborhood residents, CHA cilities are enjoyed by more people an the project can house and the project comes a nucleus for community affairs.

# CITY'S PUBLIC HOUSING PROJECTS ADD $3/4 MILLION TO TAX REVENUE

A check for $722,976.91 was presented to Mayor Richard J. Daley on Monday, February 18, by Joseph P. Sullivan, Chairman of the Chicago Housing Authority. Payment represented the Authority's contribution to local tax revenue for the calendar year 1955 and is the largest in the history of CHA. The sum consists of 10 per cent of all shelter rents (rents less charges for utilities) collected from tenants living in the 27 public housing developments in operation in 1955, plus residual income from eight housing projects built with city and state funds.

The money was turned over to County Treasurer Herbert C. Paschen who will divide it among city and county taxing agencies in the same manner that real estate taxes are distributed.

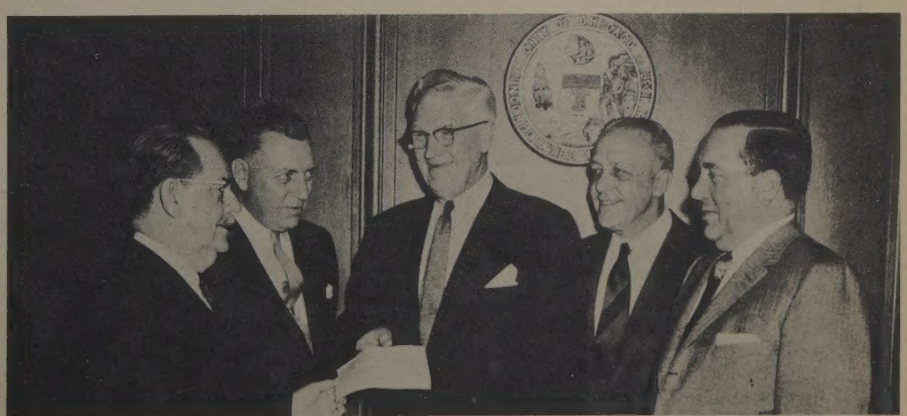
This year's payment of $722,976.91 compares with $548,145.62 paid last year for 1954 an increase of 32 per cent, reflecting (1) the addition of 1,767 apartments, (2) higher rents due to increased tenant income, and (3) the effects of a streamlined and more efficient renting procedure resulting in reduced vacancy losses.

While public housing is exempt from real estate taxes, payments of a percentage of rents collected by the Authority are made annually to local taxing agencies under agreements with the City. The current payment is more than three times the $236,300 total of real estate tax bills issued to private owners of these same properties the year before CHA acquired them and rebuilt them with public housing.

### CITY-STATE PROJECTS PAY 98 PER CENT OF FULL TAXES

Of the total payment, $197,391.80 came from eight small projects built to relocate families displaced by the city's renewal program. According to estimates by the County Assessor's office, this sum is equal to 98 per cent of the $202,053.57 which would have been billed in real estate taxes had the properties been in private ownership. Because these projects were built with outright grants of city and state money, there is no indebtedness to repay as is the case with the developments built with Federal assistance. By special agreement with the City, CHA's annual payment for

(Cont'd. on page 2)

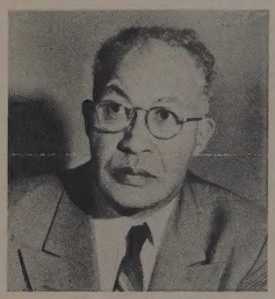


CHA PAYMENT OF $¾ MILLION boosts local tax revenue. CHA officials make payment in Mayor Richard J. Daley's office on February 18th. Left to right: CHA Chairman Joseph P. Sullivan, CHA Treasurer Martin J. Dwyer, County Treasurer Herbert C. Paschen, Lt. Gen. W. B. Kean, CHA Executive Director, and Mayor Richard J. Daley.

## MAYOR APPOINTS LAWYER TO POST ON CHA BOARD

Newest member of the CHA Board of Commissioners is Theophilus M. Mann, well known Chicago attorney and civic leader, who was appointed on February 4 by Mayor Daley to succeed John L. Yancey whose term expired on January 8, 1957.

Mann has a distinguished record in his profession and in the community. He is a native Chicagoan. Mann was admitted to the Bar in 1928, after his graduation from the University of Ilinois. He is a member of the board of the Supreme Liberty Life Insurance Company and serves the Illinois Department of the Veterans of Foreign Wars as judge advocate.



He is a member of the board of governors of the City Club and is secretary of the Provident Hospital Training School. During World War II, he served with the armed forces in France. He left the Army as a lieutenant colonel.

John L. Yancey was first appointed to the CHA board in 1950 to serve out the unexpired term of the Authority's former chairman, Robert R. Taylor who had resigned. In 1952, Yancey was reappointed to a regular five-year term.

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## TAX REVENUE (Cont'd. from p. 1)

these developments consists of not only ten per cent of rents collected, but also all residual income, after providing reserves for repairs and replacements, up to the amount of full real estate taxes. Before the projects were built, total tax bills issued to private owners amounted to only $22,611.

The remaining $524,585.11 in the new CHA payment came from ten per cent of rents collected from tenants in 19 public housing projects built with Federal aid. This is almost two and a half times more than the $213,689 billed in real estate taxes the year before the properties were redeveloped.

CHA payments "in lieu of taxes" are necessarily a year late because funds can not be turned over to the local taxing agencies until the exact amount of rents collected has been verified by audit. The audits are not completed until several months after the end of the CHA fiscal year on June 30, but tax payments are based on the calendar year which ends six months earlier.

# 1,000 NEW APARTMENTS IN CHA PROJECT TO BE COMPLETED IN FIRST HALF OF 195

Construction work at several of Chicago's largest public housing development is nearing completion and the first six months of 1957 is expected to provide more than 1,000 new homes for the city's low-income families. By June 30, the Chicago Housing Authority expects to have a total of 15,867 apartments under lease in 30 developments in various sections of Chicago.

### Olander Extension Opens

A new South Side project, Victor A. Olander Homes Extension, opened its doors just in time for Christmas. On December 17, the Authority's chairman, Joseph P. Sullivan, was on hand at the 150-unit apartment building to welcome Mr. and Mrs. Johnny Carter and their children, the first family to move in.

"The lovely view from my living room windows is the nicest Christmas present I could get," said Mrs. Carter as she looked out at the lake and the outer drive from her ninth floor apartment.

The Carters had moved from a stove-heated dwelling in a dilapidated building which had cost them $65 a month, exclusive of coal which they had to supply themselves. At Olander Extension, they pay $60 a month for a three-bedroom apartment. The rent includes utilities.

Carter is a veteran of the United States Navy now employed by the U. S. Steel Corporation as a stamper.

Happy as Mrs. Carter was with her new apartment, she was overjoyed to find a well-equipped playground right on the premises. At their old address, the Carter children seldom went outdoors because the only playground available to them was the street.

### Horner Homes Completed

The last apartment at Governor He Horner Homes was rented in Febru bringing to full occupancy the 920-u public housing project on the Near W Side. To accommodate the nine 7- a 15-story buildings, CHA cleared alm 19 acres of dense slums in the a bounded by Lake, Damen, Washing and Hermitage Aves. Rebuilding of site represents an investment of m than $12,000,000.

### Cabrini Extension Progresses

Almost 1,000 families will be liv in new homes on the Near North S by the end of June as additional bu ings at Frances Cabrini Homes Ext sion reach completion.

With the coming of spring, landsc work on the grounds will get into swing. Beautifying the community c for the planting of about 10,000 shr and some 500 shade and flowering tr

### Stateway Gardens to Open

About the middle of March, the apartment building at Stateway Gard will be ready to receive tenants. new building, at 3542 South State Str is a ten-story structure containing dwellings. Completion of all eight bu ings in the 1,644-unit development not be reached until early 1958.

The Stateway Gardens community extend from 35th to 39th Streets alo State and will include a new park a the Crispus Attucks elementary sch now in building by the Board of Edu tion. There will also be a commun building for all neighborhood reside

*Chicago Daily News P*

Stateway Gardens, 35th and State Streets, newest South Side housing development of the Chicago Housing Authority, which will open in March.

The Carter family enjoys the lakefront view their new apartment at Olander Homes Exten opened by the CHA in December.

*Chicago Aerial Industries, Inc.*

**A NEW COMMUNITY EMERGES FROM A SLUM . . . The setting sun sends fingers of light into an old neighborhood in this unusual aerial photograph to search out dilapidated buildings to serve as points of contrast to the shining new structures at Frances Cabrini Homes Extension on Chicago's Near North Side. The Chicago Housing Authority has completed construction on five of the development's 15 apartment buildings which will provide homes for 1,921 of the city's families with low incomes. Fifteen city blocks of dense slum were cleared to make room for these new buildings which cover less than 16 per cent of the 35-acre site, leaving plenty of room for gardens and playgrounds. The deteriorated housing in the foreground stands on the Ogden-Division site which the CHA is now in process of buying for redevelopment with an additional 829 apartments.**

## 150 MILLION IN PRIVATE FUNDS BACK CHICAGO'S PUBLIC HOUSING PROGRAM

An $11,815,0000 issue of housing bonds as sold by the Chicago Housing Authority in February to a syndicate headed the First National Bank of Chicago nd the Bankers Trust Company of New ork. The successful bidders offered to ke up the entire issue at 2¾ per cent terest, plus a premium of $33,223.78. Authorization of this new bond issue ises the total of private funds invested operations of the CHA to above the 50,000,000 mark.

As of December 31, 1956, banks and vestment houses had invested $70,582,-00 in temporary loan notes issued by HA. On the same date, private in-stors were also holding bonds signed the CHA in the sum of $70,199,000. Short term loans from banks and in-sting companies provide CHA with nds to cover construction of its hous-g developments. When the projects e substantially completed, the CHA sues 40-year housing bonds and uses ie proceeds of such borrowings to retire l previous indebtednesses. This in-udes loans from the Federal govern-ent obtained for preliminary planning nd all interest accrued thereon.

At this point, the Federal government is completely reimbursed for any expenditure it has made in connection with the construction of a housing development. Under the terms of its contracts with local housing authorities, however, it does provide an annual contribution to make up any deficit which may exist between the net current income from rents and the amount necessary to cover payment of principal and interest on the outstanding bonds.

This annual contribution is limited to 4.5 per cent of the development cost of a housing development. In its twenty years of operation, the Chicago Housing Authority has collected a total of $6,764,861.28 from the Federal government under these annual contributions contracts. This is only 59.19 per cent of the $11,429,402.40 which was available to it. After all bonds have been retired, net income from the operation of the project will be used to repay the Federal government for these expenditures and to reimburse the local government for any contribution it has made in the form of tax exemptions.

## CHA SETS LOWEST VACANCY RATE IN MIDDLE WEST

As a result of streamlining leasing operations in Chicago's public housing projects during the past two years, the Chicago Housing Authority established the lowest vacancy rate in its history and the lowest reported by any housing authority in the Middle West in the quarter ended September 30, 1956, according to data compiled by the Public Housing Administration.

CHA had only 15 vacancies on September 30, or approximately one per thousand of the 12,188 apartments in operation in projects built with federal assistance. This compares with a total of 1,588 vacancies, or 30 per thousand, of the remaining 52,001 dwellings in public housing projects operated during the same period by other housing authorities in the twelve state comprising the PHA North Central Region. These states are: Ohio, Indiana, Michigan, Illinois, Wisconsin, Missouri, Iowa, Minnesota, Kansas, Nebraska, North Dakota and South Dakota.

Operating figures for the CHA fiscal year 1956 reveal that the consistent lowering of the vacancy rate and the days lost per vacated apartment have resulted in significant dollar savings during the last two years as well as faster housing of families on CHA waiting lists. In the twelve months ended June 30, 1956, only four days were lost per vacated apartment for cleaning and redecorating prior to re-renting a unit. This compares with 20.1 days lost per vacancy in 1955, and 30.6 days in 1954.

In terms of rental revenue, the reduced vacancy loss for 1956 meant a savings of $46,544 over 1955 and of $65,723 over 1954.

## CHA REVIEWS PROGRESS IN 1956 ANNUAL REPORT

Major achievements of the Chicago Housing Authority during its fiscal year 1956 are outlined in a new CHA report now available to the public.

The 24-page illustrated booklet describes accomplishments in twelve phases of the Authority's activities, ranging from construction to management of completed housing developments. In addition, the report lists recommendations for future action to assure the orderly rebuilding of the city.

Copies will be sent to schools, libraries, or individuals upon request.

# LARGER SHARE OF CHA APARTMENTS GOES TO FAMILIES OF WAGE EARNERS

For the second consecutive three-month period since the Chicago Housing Authority raised the allowable limits of income for admission to public housing, families of wage earners are getting a larger share of these dwellings.

In the last three months of 1956, CHA admitted 1,070 new tenants to its housing projects, and of this number, 66 per cent were wage earning families. This is an increase of 6 per cent over the previous quarter, the first to reflect the new income limits, and of 13 per cent over the June quarter.

### Annual Incomes Increase

With the number of working families on the increase in public housing projects, the average annual income of new tenants also rose. Tenants admitted in the last three months of the year reported average annual incomes of $2,805, compared with $2,575 in the previous three months. Average rents of the newcomers to public housing rose to $51.77 in the December quarter from $51.08 in the previous three months.

### New Units Add Revenue

Total rents charged by CHA in the December quarter amounted to $2,241,869, an increase of $99,119 over the sum charged in the previous three months. The Authority estimates that about $39,000 of this increase is attributable to the opening of new apartments at Governor Henry Horner Homes, Frances Cabrini Homes Extension, and Victor A. Olander Homes Extension. The balance, however, reflects the higher average earnings of CHA tenants which result in increased rental charges.

### Boost "Agency" Rents

Under current CHA policy, families receiving public assistance from the city's welfare agencies pay flat rents for their accommodations in public housing. These rents are set at a level which covers only the cost to the Authority for operating the apartments. In the past year, these operating costs have risen average of $4 a month per apartm

On February 13, CHA Commissio approved a new schedule of rents families receiving public aid. The rents, which range from $45 to $ month, depending upon the size of family, will cover the $4 increase in and will add about $180,000 a yea CHA income. City welfare officials agreed to the increase which beco effective on March 1, 1957. Almost 3 of the Authority's tenants receive s form of public assistance.

**CHICAGO HOUSING AUTHORITY DEVELOPMENTS**
**December 31, 1956**

| | | | |
|---|---|---|---|
| **COMPLETED** | | | |
| 29 Developments—14,815 Dwellings | | | |
| 1. | Jane Addams Houses | (F) | 992 |
| 2. | Julia C. Lathrop Homes | (F) | 925 |
| 3. | Trumbull Park Homes | (F) | 454 |
| 4. | Ida B. Wells Homes | (F) | 1,658 |
| 5. | Frances Cabrini Homes | (F) | 584 |
| 6. | Robert H. Brooks Homes | (F) | 834 |
| 7. | Bridgeport Homes | (F) | 141 |
| 8. | Lawndale Gardens | (F) | 128 |
| 9. | Altgeld Gardens | (F) | 1,500 |
| 10. | Wentworth Gardens | (F) | 422 |
| 11. | Dearborn Homes | (F) | 800 |
| 12. | Maplewood Courts | (C-S) | 132 |
| 13. | Harrison Courts | (C-S) | 126 |
| 14. | Leclaire Courts | (C-S) | 316 |
| 15. | Racine Courts | (C-S) | 120 |
| 16. | Ogden Courts | (C-S) | 136 |
| 17. | Prairie Ave. Cts.-I-II-III | (C-S) | 318 |
| 18. | Archer Courts | (C-S) | 148 |
| 19. | Loomis Courts | (C-S) | 126 |
| 20. | Phillip Murray Homes | (F) | 500 |
| 21. | Victor A. Olander Homes | (F) | 150 |
| 22. | Leclaire Courts Ext. | (F) | 300 |
| 23. | Grace Abbott Homes | (F) | 1,218 |
| 24. | Ida B. Wells Extension | (F) | 650 |
| 25. | Harold L. Ickes Homes | (F) | 803 |
| 26. | Gov. Frank O. Lowden Homes | (F) | 128 |
| 27. | Gov. H. Horner Homes-I-II | (F) | 790 |
| 28. | Cabrini Extension-I | (F) | 266 |
| 29. | Olander Extension | (F) | 150 |
| **UNDER CONSTRUCTION** | | | |
| 4 Developments—3,632 Dwellings | | | |
| 27. | Gov. H. Horner Homes-II | (F) | 130 |
| 28. | Cabrini Extension-I-II | (F) | 1,655 |
| 30. | Stateway Gardens | (F) | 1, |
| 31. | Prairie Ave. Cts. Ext. | (F) | |
| **IN DESIGN AND LAND PURCHASE STAGES** | | | |
| 28 Developments—8,690 Dwellings | | | |
| 17. | Prairie Ave. Cts.-IV | (C-S) | |
| 32. | Rockwell Gardens | (F) | |
| 33. | Division-Ogden | (F) | |
| 34. | Roosevelt-Blue Island | (F) | |
| 35. | Site to be selected | (F) | |
| 36. | 32nd & Prairie | (F) | |
| 37. | 35th & Calumet | (F) | |
| 38. | 37th & Calumet | (F) | |
| 39. | 37th & Ellis | (F) | |
| 40. | Lake Park | (F) | |
| 41. | Oakenwald School Area | (F) | |
| 42. | 40th & Langley | (F) | |
| 43. | 45th & Champlain | (F) | |
| 44. | Pershing & South Park | (F) | 2 |
| 45. | 35th & Cottage Grove | (F) | |
| 46. | 50th & Cottage Grove | (F) | |
| 47. | 62nd & Blackstone | (F) | |
| 48. | 51st & Calumet | (F) | |
| 49. | 57th & Wabash | (F) | |
| 50. | 63rd & Calumet | (F) | |
| 51. | 63rd & Indiana | (F) | |
| 52. | 63rd & Wabash | (F) | |
| 53. | 57th & Normal | (F) | |
| 54. | Lake & Damen | (F) | 6 |
| 55. | Monroe & Campbell | (F) | |
| 56. | 38th & Cottage Grove | (F) | 3 |
| 57. | 44th & Cottage Grove | (F) | 2 |
| 58. | 40th & State | (F) | 2,6 |

(F) Financed with federal funds; (C-S) with and state funds.

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